

THE TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1413.
FILED, MARCH 4th. 1966.

NEW JASON MINES LIMITED

Full corporate name of Company
Incorporated under the Ontario Companies Act by Letters Patent dated
November 9, 1932, Supplementary Letters Patent issued July 22, 1947, December 15,
Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953 1947, July 8,
(Ontario) by Letters Patent dated May 1st, 1957). 1948, May 16, 1949
March 27, 1963 and
November 16, 1955

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	To reflect the acquisition of a group of mining claims in Yarrow Township and the subsequent disposition of same.
2. Head office address and any other office address.	Suite 505 - 80 Richmond Street West, Toronto 1, Ontario
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	President & Director - J. Douglas Streit, 99 Arjay Crescent, Willowdale, Ontario, Mining Executive. Vice-President and Director - W. J. Craig, 33 Codrington Street, Barrie, Ontario, Customers Man. Director - K.A. Davis, 7 Strathearn Road, Toronto 7, Mining Executive. Director - J. D. Liard, 95 Chiltern Hill Road, Toronto 10. Mining Executive. Director - C. William Streit, 88 Stratford Cres. Toronto 12. Mining Executive. Secretary-Treasurer - J.L.Noble, 55 Winthorpe Road, Toronto Corporate Secretary
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized Capital - 6,000,000 shares of \$1.00 each Issued and outstanding - 4,549,668 shares
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	None
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	None
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	None
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The Company proposes to take part in the financing of work on the property of Jarrow Mines Limited in Yarrow Township, Montreal River Mining Division, Province of Ontario. Jarrow Mines Limited proposes to carry out 5,000 feet of surface drilling on the said claims in accordance with the recommendations of E. K. Fockler, Consulting Geologist, the estimated cost of which will be \$25,000. The Company's participation in the financing of this work may be by the purchase of shares of Jarrow Mines Limited. This will be disclosed when any firm commitment has been made. The Company does not propose to carry out further work on its other properties at the present time.

10. Brief statement of company's chief development work during past year.	Since 1964, the Company has expended the sum of \$62,755.66 on the mining claims in Yarrow Township, Montreal River Mining Division, Province of Ontario, referred to in item 11 hereof, and will receive 627,556 shares of the capital stock of Jarrow Mines Limited in consideration for such expenditure. The Company has already received 150,000 shares of the capital stock of Jarrow Mines Limited as part of the vendor's consideration.										
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	(a) - By agreement in writing made the 8th day of October, 1964, between the Company and Clarence Floyd, 2 Courtwright Road, Toronto 18, the Company acquired an option to purchase a group of 13 mining claims, situate in the Township of Yarrow, Montreal Mining Division, Ontario for the sum of \$300 cash and option payments of \$1,500 by February 1, 1965, \$1,500 by May 1, 1965, \$3,000 by August 1, 1965, \$4,000 by November 1, 1965, \$4,700 by February 1, 1966 and the issuance and allotment to the vendor of 225,000 shares of a new company to be incorporated to acquire the said claims of which 90% would be placed in escrow. The said agreement was amended on the 2nd day of August, 1965 whereby after receiving payments amounting to \$1,500 the Vendor agreed to cancel the remaining option payments, in consideration of the issuance and allotment to the vendor, or his nominee, 225,000 shares of a new company to be incorporated as aforesaid and further in consideration of the Company arranging an underwriting for the new company's shares - 200,000 firm at 10¢ and options on 800,000 shares at 12½¢ to 25¢ per share in blocks of 200,000 shares. (b) - By agreement in writing made the 11th day of August, 1965, between the Company and P. F. Bell, 120 Willowdale Avenue Willowdale, Ontario, the Company purchase a group of 5 mining claims situate in the Township of Yarrow aforesaid, in consideration of the issuance and allotment to the vendor of 100,000 shares of the capital stock of a new company to be incorporated to acquire the said claims, of which 90% would be placed in escrow.										
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	(a) Clarence Floyd, aforesaid, and Courville Mines Limited, 80 Richmond Street West, Toronto, are the only parties to receive a greater than 5% interest in the consideration to be received by the Vendor of the property referred to in item 11 (a) above. (b) The only person to receive a greater than 5% interest in the consideration to be received by the Vendor of the property referred to in item 11 (b) above is P.F. Bell, aforesaid.										
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	There are no shares held in escrow or pool.										
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not Applicable										
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<table> <tr> <td>Thomson, Kernaghan & Co. Ltd. 365 Bay Street, Toronto</td> <td>581,300</td> </tr> <tr> <td>Chartered Trust Company, 34 King Street West, Toronto 1.</td> <td>466,750</td> </tr> <tr> <td>Doherty, Roadhouse & McQuaig Bros. 335 Bay Street, Toronto 1.</td> <td>143,053</td> </tr> <tr> <td>James Richardson & Son, 173 Portage Ave. E. Winnipeg, Man.</td> <td>122,380</td> </tr> <tr> <td>Jack Purcell, 335 Bay Street, Toronto 1, Ontario.</td> <td>91,202</td> </tr> </table> The Company has no knowledge of the beneficial owners of shares registered in Brokers' names.	Thomson, Kernaghan & Co. Ltd. 365 Bay Street, Toronto	581,300	Chartered Trust Company, 34 King Street West, Toronto 1.	466,750	Doherty, Roadhouse & McQuaig Bros. 335 Bay Street, Toronto 1.	143,053	James Richardson & Son, 173 Portage Ave. E. Winnipeg, Man.	122,380	Jack Purcell, 335 Bay Street, Toronto 1, Ontario.	91,202
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FINANCIAL STATEMENTS

NEW JASON MINES LIMITED

BALANCE SHEET AS AT 31 DECEMBER 1965

ASSETS

Current

Cash in banks	\$	22,420.61	
Due from broker		26.40	
Prepaid expense		275.00	\$ 22,722.01

Investments

Listed securities at cost (Market \$ 43,069.16)	\$	60,328.87	
Other securities at nominal values		5.00	
Jarrow Mines Limited shares at cost (777,556)		62,755.66	123,089.53

Other

Mining property at cost			227,492.38
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\$ 373,303.92

LIABILITIES

Current

Accounts payable			\$ 575.62
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Capital

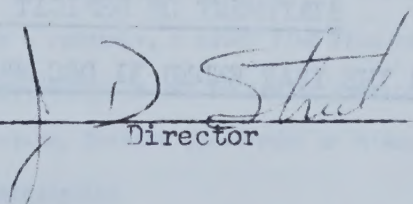
Authorized - 6,000,000 shares of \$1.00 par value

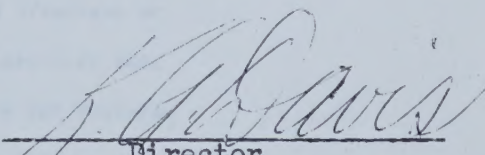
Issued and fully paid - 4,549,668 shares	\$	4,549,668.00	
Less: Discount thereon		2,381,853.65	
		2,167,814.35	

Deficit - per statement attached		1,795,086.05	372,728.30
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\$ 373,303.92

Approved on behalf of
the Board of Directors


Director


Director

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market</u>
362,100	Marcon Mines Limited	45,858.06	28,968.00
35,122	Zenmac Metal Mines Limited	6,074.49	13,346.36
2,040	Argosy Mines Limited	8,396.32	754.80
		60,328.87	43,069.16
840,000	Silver Hoard Mines Limited	1.00	
8,000	Promistora Gold Mines Limited	1.00	
30,000	Terminus Mines Limited	1.00	
1,000	Estates Projects Limited	1.00	
100,000	Fondewa Gold Mines Limited	1.00	
		5.00	

NEW JASON MINES LIMITED

STATEMENT OF EXPENDITURES

FOR THE YEAR ENDED 31 DECEMBER 1965

Re Jarrow Mines Limited

Balance at 1 January 1965		\$	10,499.44
Add:			
Property option payments	\$	4,700.00	
Lines and surveys		3,124.16	
Diamond drilling		30,064.61	
Engineering		4,156.08	
Management fee		4,600.00	
Travel expense		1,369.01	
Assays		722.50	
Sundry expenses		463.37	
Organization expense		2,947.88	
Share certificates		108.61	52,256.22
			<u>\$ 62,755.66</u>
Transferred to investments			<u>62,755.66</u>

Administrative

Secretarial and office	\$	3,300.00	
Shareholders information		3,098.60	
Stock transfer agent		2,375.67	
Directors fees		350.00	
Telephone		722.87	
Sundry expenses		508.24	
		<u>10,355.38</u>	
Less: Interest earned		<u>2,082.62</u>	\$ 8,272.76
Transferred to deficit			<u>8,272.76</u>

Other

Property tax paid		313.49
Transferred to deficit		<u>313.49</u>

NEW JASON MINES LIMITED

STATEMENT OF DEFICIT

FOR THE YEAR ENDED 31 DECEMBER 1965

Balance at 1 January 1965	\$ 1,783,286.10
Add:	
Loss on disposal of investment	2,313.70
Property tax paid	313.49
Administrative expenditures	8,272.76
Advance written off	<u>900.00</u>
Balance at 31 December 1965	<u>\$ 1,795,086.05</u>

NEW JASON MINES LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED 31 DECEMBER 1965

Working capital at 1 January 1965

Current assets	\$ 46,254.21	
Less: Current liabilities	<u>3,891.59</u>	\$ 42,362.62

Source of funds

Sale of investments	\$ 44,701.24	
Interest earned	<u>2,082.62</u>	46,783.86
		<u>\$ 89,146.48</u>

Application of funds

Purchase of investments	\$ 3,875.00	
Advance to mining company	200.00	
Payment of property tax	313.49	
Administrative expenditures	10,355.38	
Jarrow Mines Limited expenditures	<u>52,256.22</u>	<u>67,000.09</u>

Working capital at 31 December 1965

Current assets	\$ 22,722.01	
Less: Current liabilities	<u>575.62</u>	<u>\$ 22,146.39</u>

ENGINEER'S REPORT

Note: The following are excerpts from a report by E.K. Fockler, Consulting Geologist, dated September 28th, 1965, on mining claims located in the Matachewan Mining Area, Northeastern Ontario. A complete copy of this report is on file with the Toronto Stock Exchange.

REPORT ON THE PROPERTY OF

JARROW MINES LIMITED - MATACHEWAN, ONTARIO.

THE PROPERTY OF JARROW MINES LIMITED IS SITUATED IN THE MATACHEWAN MINING AREA IN NORTHEASTERN ONTARIO, AND IS DIRECTLY ACCESSIBLE BY AN ALL-WEATHER ROAD FROM PROVINCIAL HIGHWAY 65, SERVING THE COMMUNITY OF MATACHEWAN. ROAD DISTANCE FROM EARLTON AIRPORT TO THE PROPERTY IS 53 MILES; DISTANCE FROM TORONTO BY CAR IS 390 MILES.

THE COMPANY'S MINING LOCATION CONSISTS OF A BLOCK OF 51 CLAIMS TOTTALLING APPROXIMATELY 2100 ACRES IN THE NORTHWEST QUARTER OF THE TOWNSHIP OF YARROW, DISTRICT OF TIMISKAMING. THE HOLDINGS WHOLLY EMBRACE THE WORKINGS AND KNOWN EXTENT OF THE ORE-BEARING STRUCTURE OF THE MATARROW MINE - FORMERLY, A SHORT TIME PRODUCER OF LEAD-ZINC ORE. THE CLAIMS ARE REGISTERED IN THE FOLLOWING PARTICULARS IN THE MONTREAL RIVER MINING DIVISION, ONTARIO DEPARTMENT OF MINES:

<u>CLAIM NUMBERS (UNPATENTED)</u>	<u>DATE OF RECORD</u>
MR-37128 TO 37134 INCLUSIVE	SEPTEMBER 10, 1963
MR-37304 TO 37308 INCLUSIVE	NOVEMBER 25, 1963
MR-39147 TO 39152 INCLUSIVE	JULY 27, 1964
MR-40358 TO 40366 INCLUSIVE	NOVEMBER 27, 1964
MR-40476 TO 40481 INCLUSIVE	NOVEMBER 27, 1964
MR-40572 TO 40589 INCLUSIVE	NOVEMBER 27, 1964

THE AMOUNT OF ASSESSMENT WORK PERFORMED ON GROUND CONSTITUTING THE JARROW PROPERTY IS SUFFICIENT TO MAINTAIN ALL OF THE ABOVE NUMBERED CLAIMS IN GOOD STANDING TO JANUARY 1ST, 1967, AND MORE THAN ADEQUATE TO BRING TO PATENT CLAIMS 37128 TO 34 EMBRACING THE MINERALIZED STRUCTURE IN THE MINE AREA.

THE ABOVE CONSTITUTED CLAIM GROUP EXTENDS EASTERLY FROM MISTINIKON LAKE FOR A DISTANCE OF THREE MILES ON STRIKE OF FORMATION, ATTAINING A WIDTH OF ONE MILE IN THE LOCALITY OF THE MINE WORKINGS; TWELVE OF THE CLAIMS ARE WEST OF THE LAKE. THE PRESENT HOLDINGS, THUS ADEQUATELY COVER BOTH THE KNOWN ORE ZONE AND PROJECTED EXTENSIONS OF MINERALIZED STRUCTURE IN THE IMMEDIATE VICINITY. WATER LOCATION IN MISTINIKON LAKE AMOUNTS TO APPROXIMATELY 300 ACRES, AND EMBRACES CONTINUATION OF THE MINERALIZED BELT WESTERLY FROM THE MINE AREA.

OPERATING FACILITIES ARE CONVENIENTLY AVAILABLE. HYDRO-ELECTRIC POWER, TRANSPORTATION, COMMUNICATIONS AND STAPLE SUPPLIES ARE PROCURABLE IN THE COMMUNITY OF MATACHEWAN, DISTANT FIVE MILES BY ROAD FROM THE JARROW PROPERTY. GOLD PRODUCTION OF THE AREA, FROM TWO MINES ACTIVE DURING THE PERIOD 1934 TO 1954, ESTABLISHED MATACHEWAN AS A MINING SETTLEMENT AND A BASE FOR OPERATIONS THROUGHOUT THE DISTRICT. THE AREA OF REFERENCE LIES CENTRALLY WITHIN THE PERIMETER OF PRODUCTIVE MINING AREAS IN NORTHEASTERN ONTARIO - THE CITY OF TIMMINS IN THE PORCUPINE AREA BEING DISTANT 45 MILES TO THE NORTHWEST, KIRKLAND LAKE ABOUT 30 MILES NORTHEASTERLY, THE COBALT SILVER AREA SOUTHEASTERLY 60 MILES, THE SUDBURY AREA APPROXIMATELY 100 MILES TO THE SOUTH, AND DISTANT WESTERLY 20 MILES IS THE RECENTLY ESTABLISHED GOLD PRODUCER IN MIDLOTHIAN TOWNSHIP.

HISTORY OF THE MATARROW MINE.

SHOWINGS OF LEAD AND ZINC SULPHIDES WERE ORIGINALLY DISCOVERED SIXTY YEARS AGO BY PROSPECTORS EXAMINING THE BELT OF IRON FORMATION EXPOSED ON THE EAST SIDE OF MISTINIKON LAKE. IN 1928, NEARLY A QUARTER CENTURY AFTER DISCOVERY, INITIAL EXPLORATORY WORK, COMPRISING ROCK TRENCHING AND FOUR SHALLOW DIAMOND DRILL HOLES, WAS UNDERTAKEN ON ORE EXPOSURES IN THE PRESENT MINE AREA ON THE JARROW PROJECT. DURING THE FOLLOWING TWENTY-YEAR PERIOD THE PROSPECT WAS ALLOWED TO REMAIN DORMANT.

COMMENCING IN AUGUST, 1948, A PROGRAMME OF 9000 FEET OF SURFACE DIAMOND DRILLING, EXECUTED BY MATARROW MINES LIMITED, INDICATED COMMERCIALY-IMPORTANT TONNAGE OF LEAD-ZINC ORE. UNDERGROUND EXPLORATION AND DEVELOPMENT ENSUED DURING 1951 AND SOME 40,000 TONS OF LEAD-ZINC ORE WERE MINED AND SHIPPED FOR TREATMENT THROUGH 1952. ON FEBRUARY 15, 1953 ALL OPERATIONS AT THE MATARROW MINE CEASED, THE MINE WAS ALLOWED TO FLOOD AND THE MINING PLANT AND EQUIPMENT WERE MOVED FROM THE PROPERTY. IN JUNE, 1955 THE PROPERTIES OF THE MATARROW COMPANY WERE ACQUIRED BY JEANETTE MINERALS LIMITED, WHICH LATTER COMPANY BECAME DEFUNCT IN 1961, AND SUBSEQUENTLY FORFEITED TO THE CROWN ALL ITS PROPERTY HOLDINGS COMPRISING THE MATARROW MINE.

THE RESTAKED CLAIMS CONSTITUTING THE PRESENT PROPERTY OF JARROW MINES LIMITED CLOSELY APPROXIMATE LOCATION AND OVERALL ACREAGE OF THE ORIGINAL MATARROW CLAIMS. UNDER AN EXPLORATION-OPTION, NEW JASON MINES LIMITED ENGAGED IN A SURFACE PROGRAMME OF GEOPHYSICAL INVESTIGATION AND EXPLORATORY DRILLING TO DEPTH IN THE MINE AREA DURING THE PERIOD NOVEMBER, 1964 TO JULY 1965. RESULTS OF THESE RECENT EXPLORATIONS WARRANT AND REQUIRE CERTAIN CONFIRMATORY DRILL HOLE TESTING PRIOR TO CONSIDERATION OF UNDERGROUND OPERATIONS FROM EXISTING MINE OPENINGS.

UP TO CESSATION OF OPERATIONS ON THE MATARROW PROPERTY IN 1953, A TOTAL OF 51 SURFACE DRILL HOLES, AGGREGATING 13,891 FEET, HAD BEEN PUT DOWN. DRILLING CARRIED OUT ON THE RESTAKED CLAIMS BY NEW JASON MINES CONSISTS OF 13 HOLES AMOUNTING TO 7752 FEET. AN ADDITIONAL EIGHT HOLES INVOLVING A MINIMUM OF 5000 FEET OF DRILLING ARE REQUIRED. EIGHTY PERCENT OF THE DRILLED FOOTAGE LIES ABOVE THE 300 FOOT HORIZON; NO PENETRATION HAS BEEN MADE BELOW THE 700 FOOT HORIZON.

THE MATARROW MINE WORKINGS ARE CENTRALLY SITUATED IN THE EXISTING CLAIM-GROUP, AND EMBRACE PORTIONS OF THREE CONTIGUOUS CLAIMS, NUMBERS 37129 - 30 - 31. THE MINE WAS OPENED BY A VERTICAL, THREE-COMPARTMENT SHAFT SUNK TO 347 FEET, WITH DEVELOPMENT AND PRODUCTION LEVELS AT 150 FEET AND 300 FEET BELOW SHAFT COLLAR AT SURFACE ELEVATION. DRIFT HEADINGS EXTEND ALONG THE ORE-STRUCTURE FOR AN OVERALL STRIKE DISTANCE OF 1050 FEET. LATERAL WORKINGS ON THE TWO MINE LEVELS TOTAL 2886 FEET AND RAISE HEADINGS AMOUNT TO 520 FEET. STOPED AREAS COMPRISE FOUR PRINCIPAL ORE SOURCES AND SIX MINOR DRAWPOINTS. DIAMOND DRILLING PERFORMED FROM SITES IN THE MINE WORKINGS COMPRISE 43 HOLES TALLING 4,879 FEET. DEEPEST PENETRATION BY UNDERGROUND DRILLING WAS AT THE 450 FOOT HORIZON AT A POINT 50 FEET EAST OF THE SHAFT.

SURFACE SURVEYS COMPRISE GEOLOGICAL RECONNAISSANCE MAPPING, TRANSIT SURVEY OF BOREHOLE COLLARS AND ELEVATIONS REFERRED TO BASE-LINE DATUM, AND GEOPHYSICAL WORK CONSISTING OF E.M. RECONNAISSANCE OVER WATER LOCATION IN MISTINIKON LAKE AND ROUTINE CONDUCTIVITY COVERAGE OF THE BELT OF IRON FORMATION AND FLANKING ROCKS.

AN ASSESSMENT OF PRESENT DOLLAR VALUE OF EXPLORATION AND DEVELOPMENT HERETOFORE EXECUTED ON GROUND CONTAINED IN THE EXISTING PROPERTY OF JARROW MINES LIMITED AND APPLICABLE TO FUTURE OPERATIONS ON THESE HOLDINGS IS SUMMARIZED AS FOLLOWS:-

	LINEAR FOOTAGE APPLICABLE (FT.)	OVERALL COST ASSESSED PER FOOT (\$)	SUB-TOTAL \$	VALUE TOTAL (\$)
<u>DIAMOND DRILLING</u>				
MATARROW SURFACE HOLES (6)	2650	5.00	13,250	
NEW JASON SURFACE HOLES (13)	<u>7750</u>	5.00	<u>38,750</u>	
	10,450			52,000
<u>MINE WORKINGS</u>				
SHAFT - 3-COMPARTMENT VERT.	347	250.00	86,750	
STATION - 300 FOOT LEVEL	30 x 60		15,000	
LATERAL WORK - 300 FOOT LEVEL	1200	50.00	60,000	
DIAMOND DRILL HOLES (6)	800	2.50	<u>2,000</u>	
				163,750
<u>SURVEYS, MAPPING</u>				
GEOLOGICAL RECONNAISSANCE; TRENCHING 1965			3,250	
GEOPHYSICAL WORK			4,000	
TRANSIT TRAVERSES			<u>2,000</u>	
				<u>9,250</u>
				\$ 225,000
<u>SERVICES</u>				
ENGINEERING, SUPERVISION, CONSULTATION, ACCOUNTING, LEGAL AND GENERAL MISCELLANEOUS				\$ <u>50,000</u>
TOTAL ASSESSMENT OF WORK VALUE TO AUGUST 1, 1965				\$ 275,000

QUANTITY AND VALUE OF METALS RECOVERED FROM 39,804 TONS OF ORE PRODUCED AT THE MATARROW MINE HAVE BEEN OFFICIALLY RECORDED AS FOLLOWS:-

	RECOVERED METAL	VALUE OF PRODUCTION	SMELTER RETURNS
LEAD LBS.	2,592,546	\$376,871	\$289,615.40
ZINC LBS.	1,147,761	151,176	112,388.37
SILVER OZS.	4,853.09	<u>4,000</u>	<u>3,763.13</u>
		\$532.047	\$405,766.90

CESSATION OF OPERATIONS AND CLOSURE OF THE MINE WAS ATTRIBUTED TO UNPROFITABLE RETURNS FROM METAL RECOVERIES DUE TO DECLINING PRICES FOR LEAD AND ZINC COMMENCING IN THE LATTER PART OF 1952.

ORE POTENTIAL

RECOVERABLE RESERVE OF PRE-PRODUCTION ORE LYING ABOVE THE 300 FOOT MINE HORIZON WAS CALCULATED IN MARCH, 1952 AT 75,000 TONS GRADING 6.35% LEAD AND 3.28% ZINC. ADDITIONAL TONNAGE GRADING BETWEEN 4% AND 6% COMBINED LEAD-ZINC WAS INDICATED AT THAT TIME. ORE HOISTED FROM THE MINE IS RECORDED AT 41,200 TONS. THE INFERENCE IS THAT APPROXIMATELY 40,000 TONS GRADING 9.0% COMBINED LEAD-ZINC REMAIN IN PLACE BETWEEN THE SURFACE PILLAR AND THE 300 FOOT LEVEL.

THE SURFACE DRILLING PROGRAMME UNDERTAKEN IN RECENT MONTHS BY NEW JASON MINES LIMITED WAS DESIGNED, PRIMARILY, TO PROBE DOWNWARD CONTINUATION OF ORE STRUCTURE AT AND BELOW THE 450 FOOT HORIZON. TO THIS END, SIX OF THE NEW BORINGS, INVOLVING 5542 FEET, PENETRATE HERETOFORE UNPROBED HORIZONS BELOW THE MINE WORKINGS; FIVE HOLES, INVOLVING 2032 FEET, ARE SHALLOW HORIZON PROBES ON EXTENSIONS OF THE MINERALIZED ZONE BEYOND LATERAL LIMITS OF THE MINE WORKINGS.

INTERSECTIONS OF THE LEAD-ZINC ORE ZONE WERE RECOVERED IN EACH OF THE BORINGS CARRIED TO FOOTAGE OBJECTIVES. FIVE OF THE SIX HOLES PUT DOWN TO INVESTIGATE ORE STRUCTURE BELOW THE EXISTING MINE WORKINGS INDICATE DOWNWARD PROJECTION OF ORE-MAKING CONDITIONS TO THE 700 FOOT HORIZON OVER AN APPARENT LENGTH OF 700 FEET, AT LEAST. TWO OF THESE HOLES, INTERSECTING THE ORE-ZONE AT THE 500 FOOT AND 700 FOOT HORIZONS RESPECTIVELY, OVER A TRUE WIDTH OF APPROXIMATELY 25 FEET IN EACH INSTANCE, ALSO INDICATE SOUTH-WESTERLY PLUNGE OF ORE STRUCTURE EXTENDING TO DEPTH BELOW THE 700 FOOT HORIZON.

OWING TO THE CHERTY CHARACTER OF MUCH OF THE ROCK PENETRATED BY THE NEW JASON BOREHOLES, CORING WAS A DIFFICULT OPERATION, RESULTING NOT ONLY IN APPRECIABLE LOSS OF CORE BY GRINDING, BUT ALSO IN ABNORMAL FLATTENING AND PROBABLE LATERAL DEFLECTION OF CERTAIN OF THE SECTIONS. LOSS OF CORE, IN THIS WAY, IN THE SECTIONS OF SOFTER MATERIAL CONTAINING THE METAL VALUES AMOUNTED TO 20%+, AND NECESSITATED WEDGING OF TWO OF THE BORINGS IN AN EFFORT TO RECOVER REASONABLY REPRESENTATIVE MATERIAL THROUGH THE ZONE OF MINERALIZATION.

ORE OF COMMERCIAL GRADE BY ASSAY WAS ENCOUNTERED IN TWO HOLES; ORE OF MARGINAL GRADE BY ASSAY, AND OF PROBABLE COMMERCIAL GRADE BY VISUAL CHARACTERISTICS, WAS APPARENT IN TWO HOLES, AND TWO HOLES RECOVERED INTERSECTIONS EXHIBITING ORE-MAKING CHARACTERISTICS, BUT OF SUBMARGINAL GRADE BY ASSAY. ORE ZONE INTERSECTIONS IN THE FIVE REMAINING NEW JASON BORINGS FAILED TO INDICATE FAVOURABLE ORE-MAKING CONDITIONS AND RETURNED LOW TO TRACE AMOUNTS, ONLY, IN LEAD-ZINC.

ENCOURAGING ASPECTS OF THE GEOLOGY AND METAL CONTENT OF THE HOST IRON FORMATION ADJACENT TO THE WEST OF THE MINE AREA EMPHASIZE THE DESIRABILITY OF CONDUCTING AN EFFECTIVE PROGRAMME OF EXPLORATORY DRILLING OVER THE LAKE COVERED PORTION OF THE BELT EXTENDING SOUTH-WESTERLY ALONG THE SHORE OF MISTINIKON LAKE FOR A KNOWN DISTANCE OF ONE-HALF MILE. MEAGRE PROBING OF THIS SEGMENT OF THE BELT HAS FURNISHED EVIDENCE OF ORE-MAKING POTENTIAL. A NEW JASON BOREHOLE PUT DOWN TO CROSS-SECTION AN E. M. CONDUCTOR AXIS AT A POINT 850 FEET WEST OF THE SHAFT AND WITHIN 300 FEET OF THE WESTERLY HEADING OF THE 300 FOOT MINE LEVEL, YIELDED TWO NARROW SECTIONS OF COMMERCIAL GRADE ORE AT THE 350 FOOT HORIZON. AN INTERVENING 6.0 FOOT DYKE OF PORPHYRY IS ALTERED AND SLIGHTLY MINERALIZED WITH THE ORE MINERALS. THE OVERALL 10.0 FOOT INTERSECTION, IN WHICH A 15% CORE LOSS IS EVIDENT, AVERAGES 3.3% COMBINED LEAD-ZINC, BUT FROM ITS CHARACTER, IS REGARDED AS ORE-MAKING MATERIAL. DISSEMINATED LEAD-ZINC

MINERALIZATION ASSOCIATED WITH THE ABOVE INTERSECTION IS INFERRED TO EXTEND OVER A HORIZONTAL WIDTH OF APPROXIMATELY 125 FEET. THE PROSPECT OF ORE IN COMMERCIAL QUANTITY OCCURRING AT NO GREAT DEPTH BELOW THE 350 FOOT HORIZON IN THIS LOCALITY IS RATED HIGHLY AND DESERVING OF PRIORITY OF INVESTIGATION AT THIS TIME.

ELECTROMAGNETIC WORK PERFORMED FROM ICE LOCATIONS ON MISTINIKON LAKE IN FEBRUARY, 1951, TRACED A THROUGH GOING CONDUCTOR AXIS INDICATIVE OF MODERATE TO HEAVY SULPHIDE REPLACEMENT IN THE LAKE-COVERED EXTENSION OF THE IRON FORMATION. THE INFERRED PYRITIC CONCENTRATIONS SUGGEST FAVOURABLE ENVIRONMENT FOR THE OCCURRENCE OF THE NON-FERROUS METALS.

LOCAL THICKENING AND FLEXURING OF THE IRON FORMATION, WITH WHICH FEATURES MINERAL DEPOSITION MAY HAVE BEEN INDUCED, ARE EVIDENT IN THE LAKE-COVERED EXTENSION OF THE BELT.

AT A POINT SOME 3700 FEET SOUTHWESTERLY, ON STRIKE FROM THE MATARROW SHAFT, SHORE OUTCROPS OF THE IRON FORMATION TERMINATES AND IDENTIFICATION OF ITS CONDUCTOR AXIS BECOMES CONJECTURAL. A CUT-OFF OF THE BELT AGAINST A MAJOR TRANSVERSE FAULT LYING IN THE BED OF MISTINIKON LAKE, IS TENTATIVELY ASSUMED. THE SEVERAL SHOWINGS OF COPPER-BEARING VEINS OF QUARTZ, QUARTZ-CARBONATE, AND BARITE OCCURRING LOCALLY IN THE MASSIVE COBALT CONGLOMERATE WHICH FORMS THE ROCK-BOUND WEST SHORE OF THE LAKE, SUGGEST PROXIMITY TO A JUNCTION AREA OF MAJOR FAULTING, VIZ., THE JUNCTION OF THE ASSUMED NORTH-SOUTH MISTINIKON LAKE FAULT WITH THE SOUTH-WESTERLY STRIKING ZONE OF RUPTURE CONTAINING THE MATARROW ORE OCCURRENCES.

IN THIS CONTEXT, THE DISTURBED AREA IN QUESTION MAY BE REGARDED AS FAVOURABLE FOR THE OCCURRENCE OF BASE METAL DEPOSITS OF BOTH THE FISSURE AND REPLACEMENT TYPE, AND COPPER MINERALIZATION IS LIKELY TO BECOME PROMINENT UNDER THE CONDITIONS SO INFERRED. COPPER CONTENT OF ORE ENCOUNTERED WESTERLY FROM THE MINE AREA IS EXPECTED TO INCREASE AS THE AREA OF FAULT JUNCTIONING IS APPROACHED.

THE SEVERAL CONSIDERATIONS ABOVE DISCUSSED RESPECTING ORE POSSIBILITIES IN THE HOST ROCK FORMATION WESTERLY FROM THE MINE AREA ON THE JARROW PROPERTY IMPLY THE EXISTENCE OF ORE STRUCTURE OF HIGH POTENTIAL, AND THAT SYSTEMATIC BOREHOLE SECTIONING OF THAT PORTION OF THE BELT IS WARRANTED AT THIS TIME AS A REQUIRED COMPLEMENTARY PROGRAMME TO THE WORK RECENTLY PERFORMED IN THE MINE AREA.

NO FURTHER DRILLING IS DEEMED WARRANTED ALONG THE KNOWN EXTENSION OF THE IRON FORMATION EASTERLY FROM THE MINE WORKINGS. THE NEW JASON HOLE PUT DOWN ON A SECTION 1100 FEET EAST OF THE SHAFT TO INVESTIGATE PRONOUNCED E. M. CONDUCTIVITY IN THAT LOCALITY REVEALED HEAVY TO MASSIVE PYRITIC SULPHIDE REPLACEMENTS IN SILICA BEDS. A TRACE ONLY OF LEAD-ZINC MINERALIZATION WAS DETECTED IN THE HOLE. WHETHER THE FORMATION OF INTEREST EXTENDS TOWARD AND INTO THE FAULT VALLEY OF CHASM LAKE, PRESENTLY COVERED BY THE EASTERNMOST CLAIMS OF THE JARROW PROPERTY, IS NOT A MATTER OF EASY SOLUTION, OR A PROJECT REQUIRING IMMEDIATE INVESTIGATION. EXPLORATION OF THE GROUND IN QUESTION MAY BE DEFERRED FOR CONSIDERATION, CONTINGENT ON DEVELOPMENTS ELSEWHERE ON THE PROPERTY.

CONCLUSIONS

GENERAL CONSIDERATIONS FOR AMPLIFICATION OF THE RECENT
PROGRAMME OF EXPLORATION ON THE CLAIM GROUP CONSTITUTING THE PROPERTY
OF JARROW MINES LIMITED ARE CONSTRUED AS FOLLOWS:-

- (A) THE FAVOURABLE GEOLOGICAL SETTING OF THE HOLDINGS AND THE HOSPITABLE ENVIRONMENT FOR BASE METAL DEPOSITIONS;
- (B) THE FACT THAT SIGNIFICANT PRODUCTION OF LEAD AND ZINC HAS BEEN OBTAINED FROM THE DISCOVERY DEPOSIT, IN THE INITIALLY DEVELOPED TONNAGE ABOVE THE 300 FOOT MINE HORIZON;
- (C) THE CONTINUING INCREASING DEMAND FOR BASE METALS APPEARS TO ENSURE MAINTENANCE OF FIRM METAL PRICES FOR THE FORESEEABLE FUTURE.
- (D) THE PROPERTY IS IN READILY ACCESSIBLE AREA SERVED ^{BY}/FULLY-DEVELOPED FACILITIES IN THE ESTABLISHED COMMUNITY OF MATACHEWAN.

A FURTHER PROGRAMME OF 5000 FEET OF SURFACE DRILLING IS REQUIRED, AND EXPRESSLY RECOMMENDED, IN ORDER TO ADEQUATELY SUPPLEMENT THE EARLIER WORK CONDUCTED BY NEW JASON MINES. RESULTS OF THE PROPOSED EIGHT BORE HOLES -- AND OF ADDITIONAL WEDGED SECTIONS IN AT LEAST TWO OF THE NEW JASON HOLES IN THE MINE AREA -- IF CAREFULLY DRILLED TO YIELD SATISFACTORY CORE RECOVERY, WILL ALMOST CERTAINLY DETERMINE WHETHER COMMERCIAL - IMPORTANT ORE IS PROCURABLE WITHIN EXPLORABLE DEPTH FROM SURFACE THROUGHOUT THE KNOWN EXTENT OF THE MINERALIZED STRUCTURE TRAVERSING THE PROPERTY OF JARROW MINES LIMITED. OVERALL COST OF THE PROPOSED ADDITIONAL DRILLING IS ESTIMATED AT \$25,000.

E. K. Fockler

E. K. FOCKLER,
CONSULTING GEOLOGIST.

TORONTO, ONTARIO,
SEPTEMBER 28, 1965.

CERTIFICATE

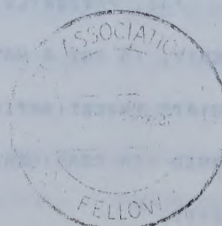
I, E.K. FOCKLER, OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO, HEREBY CERTIFY AS FOLLOWS:-

1. THAT I AM A CONSULTING MINING GEOLOGIST RESIDING IN TORONTO, AND MAINTAINING AN OFFICE AT 80 RICHMOND STREET WEST, TORONTO 1, ONTARIO.
2. THAT I AM A GRADUATE FROM THE UNIVERSITY OF TORONTO, (GEOLOGY AND MINERALOGY, 1927) AND THAT I HAVE BEEN PRACTISING MY PROFESSION FOR THIRTY-EIGHT (38) YEARS, HAVING MAINTAINED MY OFFICE AT THE ABOVE ADDRESS FOR THE PAST TWENTY-EIGHT YEARS IN THE CAPACITY OF CONSULTANT.
3. THAT I HAVE NO INTEREST, NOR DO I EXPECT TO RECEIVE ANY INTEREST, EITHER DIRECTLY OR INDIRECTLY, IN THE PROPERTIES OR THE SECURITIES OF JARROW MINES LIMITED.
4. THAT MY REPORT IS BASED (A) ON MY SUPERVISION OF SURFACE AND UNDERGROUND EXPLORATION DURING THE PERIOD JULY, 1948 TO JUNE 1951, ON GROUND THEN HELD BY MATARROW LEAD MINES LIMITED IN THE TOWNSHIP OF YARROW, ONTARIO AND (B) ON CONSULTING SERVICES TO NEW JASON MINES LIMITED, DURING THE PERIOD OCTOBER, 1954 TO DATE, RELATIVE TO THE MATARROW MINE AND SURROUNDING GROUND WHICH NOW CONSTITUTE THE PROPERTY OF JARROW MINES LIMITED.

DATED AT TORONTO, ONTARIO THIS 28TH DAY OF SEPTEMBER, 1965.

E. K. Fockler

E. K. FOCKLER,
CONSULTING GEOLOGIST.



16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	The Board of Directors of the Company, by solicitation of proxies, may be said to be in a position to affect control of the Company.			
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	<u>Shares</u>	<u>Securities</u>	<u>Book</u>	<u>Market</u>
	362,100	Marcon Mines Limited	\$45,858.06	\$28,968.00
	35,122	Zenmac Metal Mines Limited	6,074.49	13,346.36
	2,040	Argosy Mines Limited	8,396.32	754.80
			60,328.87	43,069.16
	840,000	Silver Hoard Mines Limited	1.00	
	8,000	Promistora Gold Mines Limited	1.00	
	30,000	Terminus Mines Limited	1.00	
	1,000	Estates Projects Limited	1.00	
	100,000	Fondewa Gold Mines Limited	1.00	
	777,556	Jarrow Mines Limited	62,755.66	
			\$62,769.66	
	The \$100,000 C.N.R. 4% Bonds purchased by the Company in 1958 for the sum of \$97,875.00 were disposed of as follows: In 1959 the Company sold \$56,000 for the sum of \$44,800 In 1963 the Company sold \$24,000 for the sum of \$20,740 In 1965 the Company sold \$20,000 for the sum of \$17,261			
18. Brief statement of any lawsuits pending or in process against company or its properties.	None			
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	By agreement dated the 28th day of September, 1965, made between the Company and Jarrow Mines Limited, the Company sold to Jarrow Mines Limited 36 unpatented mining claims situate in the Township of Yarrow aforesaid, recorded as follows: MR 39147 to 39152 inclusive and MR 37128 to 37134 inclusive; (being the 13 claims referred to in item 11 (a) hereof; MR 37304 to MR 37308 inclusive; (being the 5 claims referred to in item 11 (b) hereof; MR 40572 to 40589 inclusive (being a group of 18 unpatented mining claims staked by the Company at a cost of \$50.00 per claim); in consideration of the issuance and allotment of 475,000 shares of the capital stock of Jarrow Mines Limited as follows: To Clafence Floyd - 225,000 shares (90% escrowed) To P. F. Bell - 100,000 shares (90% escrowed) To New Jason Mines Ltd. 150,000 shares (90% escrowed) Jarrow Mines Limited was incorporated in Ontario by Letters Patent dated September 15, 1965, with an authorized capital of \$4,000,000 divided into 4,000,000 shares of \$1.00 each, to acquire the abovementioned claims in accordance with the terms of the agreements referred to in item 11. above.			
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	There are no other material facts. The shares of the Company are not in the course of primary distribution to the public.			

DATED March 2, 1966

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"J.D. Streit"

"J.L. Noble"

NEW JASON MINES LIMITED

CORPORATE
SEAL

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

